

European Communities

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EUROPEAN PARLIAMENT

# Working Documents

1976 - 1977

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4 May 1976

DOCUMENT 61/76

## Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (Doc. 40/76) for a regulation amending Annex IV to Regulation (EEC), No. 816/70 laying down additional provisions for the common organization of the wine market, and the Common Customs Tariff as regards the exchange rates applicable to customs duties on certain wines

Rapporteur: Mr L. DELLA BRIOTTA

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PE 44.210/fin.



By letter of 23 March 1976, the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Annex IV to Regulation (EEC) No. 816/70 laying down additional provisions for the common organization of the wine market, and the Common Customs Tariff as regards the exchange rates applicable to customs duties on certain wines.

The President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible.

The Committee on Agriculture appointed Mr Della Briotta rapporteur.

It considered this proposal at its meeting of 13/14 April 1976 and unanimously adopted the motion for a resolution.

Present: Mr Houdet, chairman; Mr Laban, vice-chairman; Mr Frehsee (replacing Mr Della Briotta, rapporteur); Mr Berkhouwer (deputizing for Mr Bourdellès), Mr Brégégère, Mr Früh, Mr Hansen, Mr Kofoed, Mr de Koning, Mr Martens, Mr Schwabe (deputizing for Mrs Orth), Mr Seefeld (deputizing for Mr Della Briotta), Mr Suck.

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The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending Annex IV to Regulation (EEC) No. 816/70 laying down additional provisions for the common organization of the wine market, and the Common Customs Tariff as regards the exchange rates applicable to customs duties on certain wines

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council<sup>1</sup>,
  - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 40/76 ),
  - having regard to the report by the Committee on Agriculture (Doc. 61/76 );
- approves the Commission's proposal.

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<sup>1</sup> OJ No. C 76, 1.4.1976, p.5.

EXPLANATORY STATEMENT

1. Council Regulation No. 2506/75 of 25 September 1975<sup>1</sup> lays down that preferential tariff concessions for imports of wine from third countries shall be subject to the free-at-frontier reference price.

This regulation was due to enter into force last October, but the rules for its application subsequently proved so complex that the Commission proposed recently<sup>2</sup> that its entry into force be postponed until 1 July 1976.

2. One of the difficulties consists in calculating the free-at-frontier reference prices, that is to say the reference prices defined in Article 9 of basic Regulation No. 816/70<sup>3</sup>, minus the customs duties actually collected.

However, these free-at-frontier reference prices, expressed in units of account, are converted into national currencies on the basis of the green rate used for the common agricultural policy, whereas the customs duties used to calculate them are still based on the old parities of the International Monetary Fund. As a result of the present serious currency disturbances, this situation can cause grave problems by producing reference prices, after customs duties, which do not correspond to reality and which are therefore likely to provoke a deflection of wine imports from third countries towards those Community countries where reference prices are more favourable because of prevailing exchange rates.

3. To overcome these drawbacks, the Commission now proposes that, as an exception to the general rule in force for CCT duties, the rate of exchange to be applied for conversion into national currency of the unit of account in which customs duties are expressed should be the representative rate used under the common agricultural policy and not the IMF parities.

4. The Committee on Agriculture approves this Commission proposal, which will help to facilitate the entry into force of the above Regulation 2506/75, as also the measures concerning wine included in the recent agreements drawn up between the Community and the Maghreb countries.

<sup>1</sup>OJ No. L 256, 2.10.1975, p.2

<sup>2</sup>See Doc. 525/75 and Frehsee report on this subject.

<sup>3</sup>These reference prices, expressed in u.a. per degree/hl or in u.a. per hl, are fixed on the basis of the guide prices for the types of red and white table wine most representative of Community production, plus the cost incurred by bringing Community wine to the same marketing stage as imported wine (See OJ No.L.99, 5.5.1970, p.6).